UNITED NATIONS

A E

General Assembly
Economic and Social Council

Distr.
GENERAL

~~A/49/204~~
E/1994/90
27 June 1994

ORIGINAL: ENGLISH

GENERAL ASSEMBLY
Forty-ninth session
Items 44, 45, 49, 52, 91, 92, 93, 94, 96, 99 and 101 of the preliminary list*
RESTRUCTURING AND REVITALIZATION OF THE UNITED NATIONS IN THE ECONOMIC, SOCIAL AND RELATED FIELDS
COMMEMORATION OF THE FIFTIETH ANNIVERSARY OF THE UNITED NATIONS IN 1995
LAUNCHING OF GLOBAL NEGOTIATIONS ON INTERNATIONAL ECONOMIC COOPERATION FOR DEVELOPMENT
REVITALIZATION OF THE WORK OF THE GENERAL ASSEMBLY
MACROECONOMIC POLICY QUESTIONS
SUSTAINABLE DEVELOPMENT AND INTERNATIONAL ECONOMIC COOPERATION
ENVIRONMENT AND SUSTAINABLE DEVELOPMENT
OPERATIONAL ACTIVITIES FOR DEVELOPMENT
AGENDA FOR DEVELOPMENT
SOCIAL DEVELOPMENT, INCLUDING QUESTIONS RELATING TO THE WORLD SOCIAL SITUATION AND TO YOUTH, AGEING, DISABLED PERSONS AND THE FAMILY
ADVANCEMENT OF WOMEN

ECONOMIC AND SOCIAL COUNCIL
Substantive session of 1994
Agenda items 2, 3, 4, 5 (a), (e), (f) and (i), 6, 7 and 9
AN AGENDA FOR DEVELOPMENT
COORDINATION OF THE POLICIES AND ACTIVITIES OF THE SPECIALIZED AGENCIES AND OTHER BODIES OF THE UNITED NATIONS SYSTEM
OPERATIONAL ACTIVITIES OF THE UNITED NATIONS FOR INTERNATIONAL DEVELOPMENT COOPERATION
SOCIAL, HUMANITARIAN AND HUMAN RIGHTS QUESTIONS:
SPECIAL ECONOMIC, HUMANITARIAN AND DISASTER RELIEF ASSISTANCE
ADVANCEMENT OF WOMEN
SOCIAL DEVELOPMENT QUESTIONS
INTERNATIONAL DECADE FOR NATURAL DISASTER REDUCTION
ECONOMIC AND ENVIRONMENTAL QUESTIONS: REPORTS OF SUBSIDIARY BODIES, CONFERENCES AND RELATED QUESTIONS
REGIONAL COOPERATION IN THE ECONOMIC, SOCIAL AND RELATED FIELDS
COORDINATION QUESTIONS

* A/49/50/Rev.1.

94-26555 (E) 290694 29/06/94

/...

Letter dated 27 June 1994 from the Permanent Representative of Algeria to the United Nations addressed to the Secretary-General

I have the honour to transmit herewith the Ministerial Statement on an agenda for development adopted by the Group of 77 on 24 June 1994, on the occasion of the commemoration of the thirtieth anniversary of the Group of 77, held at United Nations Headquarters in New York on 24 June 1994 (see annex).

On behalf of the Group of 77, I would highly appreciate it if you would arrange for the present letter and its annex to be circulated as an official document of the General Assembly, under items 44, 45, 49, 52, 91, 92, 93, 94, 96, 99 and 101 of the preliminary list, and of the substantive session of the Economic and Social Council of 1994, under agenda items 2, 3, 4, 5 (a), (e), (f) and (i), 6, 7 and 9.

(Signed) Ramtane LAMAMRA
Ambassador and
Permanent Representative
of Algeria to the United Nations
Chairman of the Group of 77
New York

ANNEX

Ministerial Statement on an agenda for development, adopted by the Group of 77 on 24 June 1994

1. The initiative for an agenda for development is a timely endeavour. It provides the opportunity to embark on a process of constructive dialogue and political mobilization with a view to creating a true and equitable partnership on development issues, which the Group of 77 considers of crucial importance, particularly in response to shifts of emphasis and priority away from development within the United Nations. There is a need to adhere to the priorities of the United Nations system in favour of development initiatives and needs.

2. The Group of 77 is committed to multilateralism. The United Nations, because of its universal character and democratic principles, has a crucial role to play in international cooperation and the promotion of economic growth and development. This should be at the heart of an agenda for development.

3. An agenda for development should have a clear substantive content and specific action. It should, in particular, seek to promote effective implementation of the existing commitments and agreements in the area of international economic and social development. It should seek to reverse the prevailing fragmented approach to development. It should take into account the priorities of the developing countries and the need to ensure a supportive external environment. It should recognize that economic growth and development in the developing countries are of mutual interest to developing and developed countries for the strengthening of the global economy. Indeed, growth in developing and developed countries have a positive mutual correlation. Also, the inherent mutuality of benefit and common concern would mean that developed countries would need the cooperation of developing countries to deal with transborder issues of common interest. An agenda for development should be based on the fundamental right to development and the recognition that development is also an indispensable prerequisite for peace.

4. The gap between developed and developing countries continues to widen. It reflects the marginalization of developing countries in the control over the main determinants of international trade, money, finance, technology, information and communication flows. An effective partnership between developed and developing countries should address these fundamental imbalances. This requires, on the part of developed countries, a new attitude and greater responsiveness to the needs of the developing countries.

5. Economic growth is the mainspring of development. An acceleration of the rate of economic growth is essential for expanding the resource base of developing countries and hence for economic, technical and social transformation. It generates the required financial, physical, human and technological resources which are the pillars of development.

6. External factors are an indispensable complement in the strengthening of the steps taken in the internal sphere. The external imperatives of economic

growth are many and can be critical in determining success or failure of domestic efforts of developing countries. However, the debate on international cooperation for development should not dictate prescriptions on macroeconomic policy-making for developing countries and on areas exclusive to domestic policies. Development must take into account country specificities as is evident from the varied examples of economic success stories and failures.

7. Essentially, development is about the improvement of the quality of life, eradication of hunger, disease and illiteracy and securing employment for all. Its primary objective must be to eradicate poverty and satisfy the basic needs of all people, including nutrition, health and housing. Education and training, which play a critical role in the development of human resources, should be pursued in such a way that everyone is given an equal opportunity to participate actively and productively in the development process. The improvement of the role and status of women is also essential to development. It is recognized that development is essentially a dynamic process, that it is and should be people-centred. In this connection, the negative effects of structural adjustment policies that divert resources away from social priorities, including health and education, should be firmly addressed. An agenda for development must fully address itself to these challenges and should also propose practical initiatives for the eradication of poverty in the formulation and implementation of structural adjustment programmes.

8. An agenda for development should clearly specify the role of the United Nations. It should also analyse the relationship of the United Nations with the specialized agencies and the Bretton Woods institutions, which are an integral part of the United Nations system, and clearly identify the division of labour with regard to policies and activities, to enhance effective action in the economic, social and related fields within the United Nations system and the regional commissions, taking into account the need for effective coordination among them.

9. An agenda for development should also focus on action-oriented recommendations to deal with the critical economic situation of Africa, which requires a greater degree of commitment and implementation of concrete measures, and take into account the specific needs and requirements of the least developed countries. It should also address the specific constraints of land-locked developing countries and small island developing States.

10. Other critical areas of action on which an agenda for development should focus are, inter alia:

Trade liberalization

11. An agenda for development should forge an international consensus on the mutual benefits of global trade liberalization as an effective means of international cooperation for development and to give impetus to renewed efforts already undertaken over the last decade to build upon the advocacy of trade liberalization and avoidance of protectionist policies. There should, above all, be consistency and coherence between proclaimed adherence to trade liberalization and implementation of specific trade policies.

12. The recent conclusion of the Uruguay Round of multilateral trade negotiations dispelled the possibilities of fragmentation of the international trading system. Our expectation is that the new agreements will bring about a halt and ultimate abolition of unfair trade practices in keeping with multilateral trade agreements, including trade restrictions on products of the developing countries. The transition from the General Agreement on Tariffs and Trade to the World Trade Organization should take place smoothly. The dispute settlement mechanism of the World Trade Organization should prevent and/or redress unilateral actions of a protectionist nature. The continued attempts to introduce social and environmental clauses in the international trade regime would have a negative impact on economic growth and development in developing countries; on the one hand, they represent protectionism in disguise, and, on the other, they would transfer an unbearable social burden to developing countries. There should be a built-in mechanism to provide adequate compensation to those developing countries adversely affected by the new multilateral trade regime.

Financial flows

13. An agenda for development should focus on a wide range of issues that directly or indirectly affect not only the flows of foreign direct investment but also other forms of investment, loans and official development assistance. The international community faces a crisis of official development assistance characterized by a stagnation, and even reduction, in aid budgets, a trend that is contrary to the agreed target of 0.7 per cent of GNP. Even specific commitments undertaken, such as those at Rio, have not been forthcoming. The agenda for development should seek to forge a new international consensus on the question of financial flows, taking into consideration the effectiveness of and increase in the volume of resources for official development assistance and the promotion of international compliance with internationally agreed commitments for new and additional resources for development cooperation. The creation of a sound environment for international financial flows should be shared goals of the international community.

14. The debt burden remains a major constraint on development efforts of many developing countries, including the least developed countries, which continue to experience severe debt service difficulties. More debt relief should be provided, including cancellation of debts, debt reduction and, more generally, innovative schemes. An effective international debt strategy is yet to be devised and implemented.

15. More specifically, what is required is the adoption of policies that would ensure (a) adequate flow of concessional financing to developing countries, particularly low-income countries; (b) stimulation of other capital flows, including foreign direct investment; (c) effective reduction of the debt burden of developing countries and reversal of net negative flow of resources; (d) creation of special drawing rights and allocation for development.

The role of science and technology in development

16. An agenda for development must consider the fundamental role played by science and technology in economic development. The agenda should identify ways

and means: (a) to enhance the mechanisms within the United Nations to address science and technology issues; (b) to include the consideration of the respective roles of the State and the private sector in promoting scientific development as a basis for technological development; (c) to improve the transfer of technology, including environmentally sound technologies, on preferential and concessional terms; (d) to promote long-term technological cooperation and partnership between holders of technologies and potential users; (e) to improve the endogenous capacities of developing countries to develop, assess, encourage and utilize such technologies through, inter alia, research and development, education and training; (f) to enhance access of small and medium-sized enterprises to technology; and (g) to facilitate for developing countries effective access to and transfer of technology that is publicly owned or under public domain.

Economic and technical cooperation among developing countries

17. An agenda for development should seek to secure adequate support from the developed countries and from the United Nations system for activities and programmes on economic cooperation among developing countries and technical cooperation among developing countries.

Regional economic integration

18. An agenda for development should address the importance of regional economic integration. Regional integration should be regarded as complementary to multilateralism. The concept of "open regional integration" would strengthen reciprocal ties between growing economic interdependence at the regional level and the building up of a more open and transparent international economy. The process towards regional integration must ensure that it does not lead to new protectionist barriers or exclusionary trade policies.

19. The above elements constitute an initial contribution by the Group of 77 to an agenda for development, which will be submitted to the Economic and Social Council. They are meant to serve as guidelines for the Secretary-General, who should be encouraged to present, on the basis of the mandate contained in General Assembly resolution 48/166 of 21 December 1993, a revised report on an agenda for development, which should contain action-oriented recommendations and concrete proposals for consideration by the General Assembly at its forty-ninth session.